

State of Alaska FY2007 Governor's Operating Budget

Department of Revenue Gas Authority Operations RDU/Component Budget Summary

RDU/Component: Gas Authority Operations*(There is only one component in this RDU. To reduce duplicate information, we did not print a separate RDU section.)***Contribution to Department's Mission**

To finance, design, construct, maintain and/or own all or part of a pipeline system to transport North Slope gas to market and maximize the benefits to Alaska and Alaskans.

Core Services

Produce key studies and plans to assure that alternative North Slope gas transportation systems are understood with specific emphasis on a gas trunk line to Cook Inlet and making gas available throughout Alaska.

FY2007 Resources Allocated to Achieve Results**FY2007 Component Budget: \$299,600****Personnel:**

Full time	3
Part time	0
Total	3

Key Component Challenges

The Alaska Natural Gas Development Authority needs to combine the best of government and business to achieve the maximum benefit of North Slope gas for Alaska and Alaskans in the face of significant market and project uncertainties and with the availability of only minimal resources.

ANGDA has to maintain flexibility in all its work and plans because of:

- Pending outcome of federal energy legislation;
- Status of a producer application under the Stranded Gas Act; and
- Other uncertainties within the tight timeline of its statutory obligation deadline.

Significant Changes in Results to be Delivered in FY2007

Work will continue on the Cook Inlet natural gas spur line including right-of-way and permitting issues.

Major Component Accomplishments in 2005

- Published a report related to an All-Alaska LNG project that provides Alaska with the maximum benefits from a North Slope natural gas pipeline entitled "Transport of North Slope Natural Gas to Tidewater" (Leveraging Issues, Configuration Descriptions & Issues, New Project Concept)
- Procured a specialized contractor to determine the feasibility of the marine transport of propane to coastal communities of Alaska.
- Determined the preliminary feasibility of linking the All-Alaska LNG project or Alaska Highway gas pipeline to the Cook Inlet area via a gas spur line.
- Completed a summer 2005 work plan, began writing Requests for Proposals, and contacted potential contractors for field studies along proposed Glennallen to Palmer spur.
- Other published work completed by the Authority's specialized contractors include:
 - Vendor Cost Estimate for Propane Extraction Plan - August 2004
 - Interim Cook Inlet Spur Line Report - September 2004

- 24" Spur Line from Glennallen to Palmer Conceptual Alignment & Budget Level Cost Estimate - August 2004
- Authority Spur Line Report on Utility Regulation - 3rd Qtr. 2004
- Financial Plan for the Cook Inlet Spur Line - September 2004
- Cook Inlet Natural Gas Spur Line Right-of-Way and Permitting Issues

Statutory and Regulatory Authority

AS 41.41 Alaska Natural Gas Development Authority

Contact Information
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**Gas Authority Operations
Component Financial Summary**

All dollars shown in thousands

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	181.2	362.1	238.2
72000 Travel	18.4	35.0	10.0
73000 Services	53.3	2,047.2	47.4
74000 Commodities	3.4	4.0	4.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	256.3	2,448.3	299.6
Funding Sources:			
1004 General Fund Receipts	256.3	2,448.3	299.6
Funding Totals	256.3	2,448.3	299.6

**Summary of Component Budget Changes
From FY2006 Management Plan to FY2007 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2006 Management Plan	2,448.3	0.0	0.0	2,448.3
Adjustments which will continue current level of service:				
-Reverse ADN 04-6-1020 Gas Line Development Carry-forward Sec 20(f) CH 3 FSSLA 2005 P107 L16 (SB46) Lapse date 06/30/2007	-2,170.0	0.0	0.0	-2,170.0
-FY 07 Wage Increases for Bargaining Units and Non-Covered Employees	6.7	0.0	0.0	6.7
-FY 07 Health Insurance Cost Increases for Bargaining Units and Non-Covered Employees	0.6	0.0	0.0	0.6
-FY 07 Retirement Systems Cost Increase	13.0	0.0	0.0	13.0
-FY2007 Wage, Health Insurance, Retirement, and Risk Management Increases for Division of Personnel	0.2	0.0	0.0	0.2
Proposed budget increases:				
-Risk Management Self-Insurance Funding Increase	0.8	0.0	0.0	0.8
FY2007 Governor	299.6	0.0	0.0	299.6

**Gas Authority Operations
Personal Services Information**

Authorized Positions		Personal Services Costs	
FY2006 Management Plan		FY2007 Governor	
Full-time	4	3	Annual Salaries 162,653
Part-time	0	0	COLA 4,240
Nonpermanent	0	0	Premium Pay 0
			Annual Benefits 75,200
			Less 1.61% Vacancy Factor (3,893)
			Lump Sum Premium Pay 0
Totals	4	3	Total Personal Services 238,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Officer	1	0	0	0	1
Ceo AK Nat Gas Dev Auth	1	0	0	0	1
Project Coordinator	1	0	0	0	1
Totals	3	0	0	0	3